

SPRINGFIELD TECHNICAL COMMUNITY COLLEGE

ACADEMIC AFFAIRS

Course Number: ECON 200 Department: Economics

Course Title: Principles of Economics 2 Semester: Spring Year: 1997

Objectives/Competencies

Course Objective	Competencies
<p>1. Students are introduced to micro-economics which deals with the problem of scarcity and choice as they affect individuals, firms, and government agencies. Students study the individual markets for corn, records, clothing and so forth that operate within the broad national economy. They are expected to understand that economists measure, explain, and predict the demand for specific products and that they are concerned with microeconomic analysis that is, with the interpretation of events in the marketplace and personal choices among products. Students are introduced to micro-economics as the branch of economics concerned with allocating scarce means within a single decision-making unit. This branch studies and theorizes about specific economic units or parts that make up our economic system and the relationship between these parts, examining the individual behavior and interrelated activities of particular firms, industries, government and households. Throughout the</p>	<ol style="list-style-type: none">1. To understand the concept of supply and demand, the combining of supply and demand, market equilibrium, the theory of price formation as well as the concept of elasticity, and the determinants of elasticity.2. To understand demand and utility and the meaning of utility in consumer behavior.3. To understand what is involved in production costs, which means defining costs—explicit, implicit, fixed, variable, and total; the meaning of average costs and marginal costs, and the firm in the short and long-run; to define maximization of profit and its implications.4. To understand what pure competition, its characteristics, function of the market mean, and what do short and long-run costs, profits and losses mean.5. To understand the history and causes of the U.S. farm problem, including existing and past farm policy, such as price parity, price supports and target prices.

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<p>course special emphasis is placed on the analytical and descriptive approach. This approach encourages understanding of economic principles instead of mere rote memorization. Orientation is directed toward basic economic theory, with conscious effort to avoid endless details and qualifications. This simplification, however, does not mean oversimplification to the point of distortion; rather it represents a focus on a majority of principles and their relations to our nation's economic system.</p>	<ol style="list-style-type: none">6. To understand the meaning and characteristics of modern monopoly, its defects and market distortions.7. To understand anti-trust policy such as the Sherman Act of 1890, the Clayton Act of 1914 and the Federal Trade Act of 1914. Specific reference will be made involving several anti-trust cases.8. To understand the characteristics of monopolistic or imperfect competition, including short and long-run profit maximization. To understand the nature and costs of advertising.9. To understand the history of American unionism, early union organization as well as pro-labor legislation. The post World War II period and modern labor unionism.10. To understand market failures and the nature of harmful and beneficial externalities. To understand private, social and external costs as well as the use of internalization or merger, taxes and subsidies